

Results for the Third Quarter of the Fiscal Year Ending May 31, 2024

**FY2023 (June 1, 2023 - May 31, 2024)
Nine months ended February 29, 2024**

Pasona Group Inc.
Prime Market TSE (2168)

April 12, 2024
www.pasonagroup.co.jp/English

The Tender Offer for Shares of a Subsidiary

With respect to the tender offer for Benefit One Inc., a consolidated subsidiary of Pasona Group Inc. to be implemented by Dai-ichi Life Holdings, Inc. on February 8, 2024, Pasona Group Inc. has entered into an agreement stipulating, among other things, that Pasona Group Inc. will sell all shares it owns through a share buyback to be conducted by Benefit One Inc. after the tender offer is completed.

Performance impact on FY2023 (current period)

After the completion of the tender offer, we will sell our holdings of Benefit One shares in response to the share buyback by Benefit One, and we expect to record an extraordinary gain of approximately ¥122.3 billion yen on a non-consolidated basis and ¥112.0 billion* yen on a consolidated basis for the fiscal year ending May 31, 2024, and an extraordinary loss of approximately ¥1.2 billion yen as expenses related to the sale of shares in affiliated companies.

(*) This is a current estimate based on the consolidated earnings forecast for the fiscal year ending March 31, 2024 released by Benefit One Inc. on February 8, 2024. It is subject to change in the future.

Schedule of the Transaction

Completion of treasury stock acquisition (planned): Late May 2024

For more information, please refer to the following release dated February 8, 2024:

[\[Notice Concerning the Execution of an Agreement Relating to Subsidiary Shares, the Expected Recording of Extraordinary Gains/Losses, and Revision of Consolidated Earnings Forecast for the Fiscal Year Ending May 2024\]](#)

Special Dividend and Revision of Year-end Dividend Forecast for the Fiscal Year Ending May 2024

- In order to enhance shareholder returns in connection with the tender offer, Pasona Group Inc. will pay **a special dividend of 60 yen per share over five years from the fiscal year ending May 2024 to the fiscal year ending May 2028. The total amount of the special dividends to be paid over the five years is expected to reach approximately 12 billion yen.**
- In light of the current business performance, excluding extraordinary income, the Company has revised the year-end ordinary dividend for the fiscal year announced on July 14, 2023. As a result, the year-end dividend for the fiscal year ending May 31, 2024, including the special dividend, will be **75** yen.

	Dividends Per Share (Yen)		
	End of Second Quarter	Fiscal Year-End	Annual
Previous Forecast (Announced on July 14, 2023)	—	35.00	35.00
Revised Forecast	—	75.00 (Ordinary dividend) 15.00 (Special dividend) 60.00	75.00 (Ordinary dividend) 15.00 (Special dividend) 60.00
Fiscal Year Ending May 2024 (Actual)	0.00		
Reference: Fiscal Year Ending May 2023 (Actual)	0.00	35.00	35.00

For more information, please refer to the following release dated April 12, 2024:
「Resolution to Pay Special Dividends and Revision of Dividend Forecast for the Fiscal Year Ending May 2024」

Basic Policy on Use of Funds

A rough estimate of how to allocate the extraordinary gains resulting from the Transaction to the three themes of “**expansion of shareholder return**”, “**investment for growth**” and “**strengthening the operating platform**” is expected to be **10~20%**, **60~70%**, and **20~30%**, respectively. The specific details of each investment will be disclosed as necessary.

Allocation of the extraordinary gains resulting from the Transaction

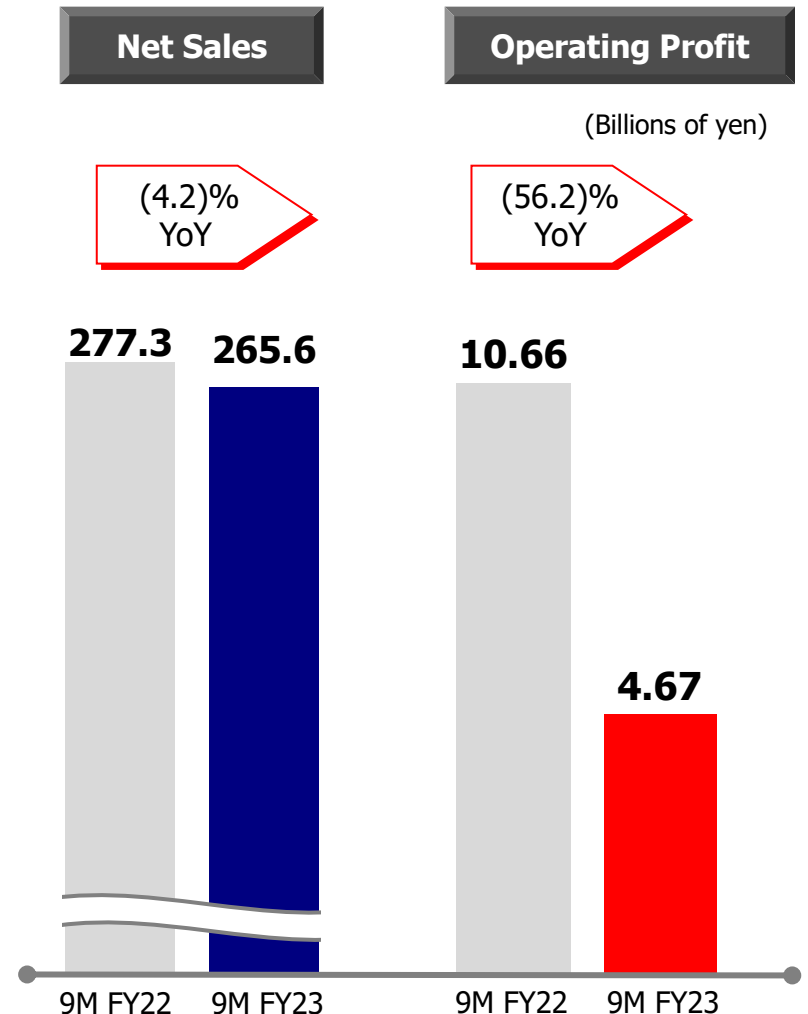


¹ The amount is calculated using current estimates based on the consolidated earnings forecast for the fiscal year ending March 2024 announced by Benefit One Inc. on February 8, 2024 and is subject to change.

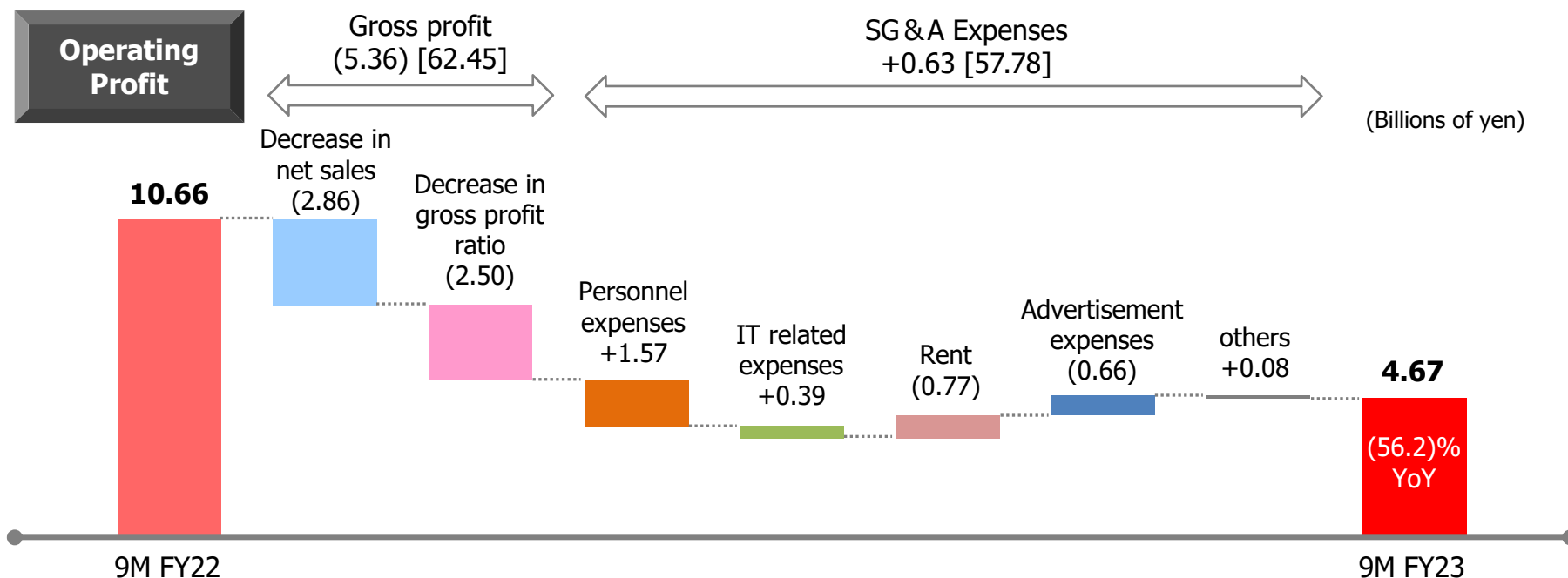
For more information, please refer to the following release dated April 12, 2024:
「Resolution to Pay Special Dividends and Revision of Dividend Forecast for the Fiscal Year Ending May 2024」

Consolidated Results

(Millions of yen)	9M FY22	9M FY23	Increase /Decrease
	(%)	(%)	
Net sales	277,280 100.0	265,558 100.0	(11,721) (4.2)%
Cost of sales	209,466 75.5	203,108 76.5	(6,358) (3.0)%
Gross profit	67,813 24.5	62,450 23.5	(5,363) (7.9)%
SG&A expenses	57,148 20.6	57,775 21.8	+627 +1.1%
Operating profit	10,664 3.8	4,674 1.8	(5,990) (56.2)%
Ordinary profit	11,445 4.1	4,622 1.7	(6,823) (59.6)%
Net profit attributable to owners of parent or net loss attributable to owners of the parent	3,948 1.4	(753) -	(4,701) -
Gross profit ratio	24.5%	23.5%	(1.0)pt
Operating profit ratio	3.8%	1.8%	(2.0)pt



Operating Profit



	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	9M FY22	9M FY23
Gross Profit ratio	20.3%	20.0%	20.2%	21.5%	22.8%	23.6%	24.8%	24.5%	24.6%	24.5%	23.5%
SG&A ratio	18.7%	18.6%	18.6%	19.4%	20.0%	20.3%	18.8%	18.5%	20.7%	20.6%	21.8%
Operating Profit ratio	1.5%	1.5%	1.6%	2.1%	2.9%	3.3%	6.0%	6.0%	3.9%	3.8%	1.8%

Major Item of Increase/Decrease

- Gross profit** : In Expert Services and Outsourcing, sales and gross profit margins decreased due to a decrease in special demand related to the COVID-19.
 Consolidated gross profit ¥(5.36) billion, gross profit margin ratio 23.5% ((1.0) pt YoY).
- SG&A expenses** : Increased costs of personnel expenses mainly due to business growth in BPO Services.

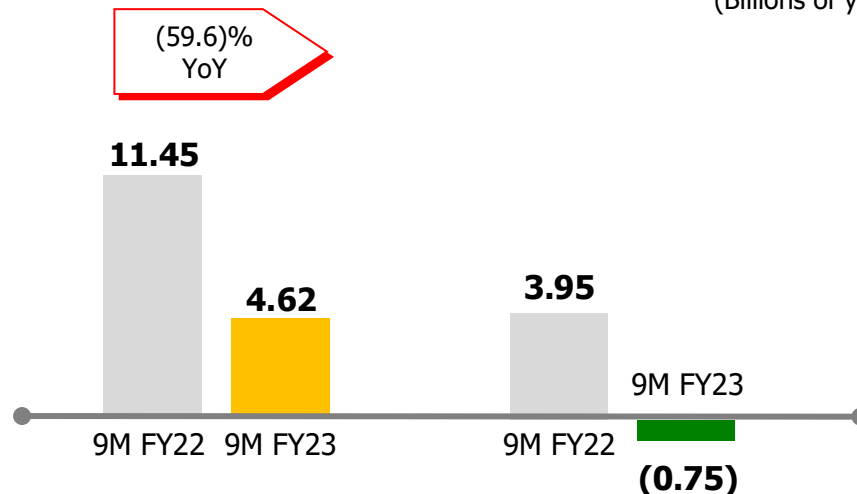
Non-operating/Extraordinary profit (loss), Others

(Millions of yen)	9M FY22	9M FY23	Increase/ Decrease	YoY
Operating profit	10,664	4,674	(5,990)	(56.2)%
Non-operating profit	1,378	527	(850)	(61.7)%
Non-operating expenses	596	579	(17)	(3.0)%
Ordinary profit	11,445	4,622	(6,823)	(59.6)%
Extraordinary profit	995	16	(978)	(98.3)%
Extraordinary loss	113	171	+57	+51.0%
Profit before income taxes	12,327	4,467	(7,859)	(63.8)%
Income taxes - current	4,735	3,072	(1,663)	(35.1)%
Income taxes - deferred	322	(407)	(730)	-
Income taxes	5,058	2,664	(2,394)	(47.3)%
Profit attributable to non-controlling interests	3,320	2,556	(763)	(23.0)%
Net profit attributable to owners of parent or net loss attributable to owners of the parent	3,948	(753)	(4,701)	-

Ordinary profit

Net profit attributable to owners of parent or net loss attributable to owners of the parent

(Billions of yen)



Major Item of Increase/Decrease

• Non-operating profit

- Subsidy income FY22 ¥ 738 million / FY23 ¥ 109 million
(Decrease in subsidy income due to the end of accepting secondees)

• Extraordinary profit

- FY22 (Previous fiscal year) :
Gain on change in equity (listing of circlace) ¥ 213 million
- FY22 (Previous fiscal year) :
Gain on sales of investment securities ¥ 731 million

Consolidated Results by Segment

(Millions of yen)

Segment		Net sales				Operating profit (loss)				Operating profit ratio		
		9M FY22	9M FY23	Increase/ Decrease	YoY	9M FY22	9M FY23	Increase/ Decrease	YoY	9M FY22	9M FY23	Increase/ Decrease
①	Expert Services (Temporary Staffing)	110,876	100,937	(9,939)	(9.0)%							
②	BPO Services (Contracting)	105,047	106,777	+1,729	+1.6%	10,953	7,506	(3,446)	(31.5)%	4.9%	3.5%	(1.4)pt
③	HR Consulting , Education & Training , Others.	6,251	6,381	+130	+2.1%							
④	Global Sourcing (Overseas)	7,288	7,911	+623	+8.5%	456	114	(341)	(74.8)%	6.3%	1.5%	(4.8)pt
Subtotal		229,463	222,008	(7,455)	(3.2)%	11,409	7,621	(3,787)	(33.2)%	5.0%	3.4%	(1.6)pt
⑤	Career Solutions (Placement/ Recruiting, Outplacement)	10,305	9,909	(395)	(3.8)%	2,969	2,980	+10	+0.4%	28.8%	30.1%	+1.3pt
⑥	Outsourcing	31,022	28,376	(2,646)	(8.5)%	7,838	5,813	(2,024)	(25.8)%	25.3%	20.5%	(4.8)pt
⑦	Life Solutions	6,114	5,686	(427)	(7.0)%	314	90	(223)	(71.1)%	5.1%	1.6%	(3.5)pt
⑧	Regional Revitalization Solutions	5,247	4,327	(919)	(17.5)%	(2,119)	(1,966)	+152	-	-	-	-
⑨	Eliminations and Corporate	(4,872)	(4,749)	+122	-	(9,748)	(9,865)	(117)	-	-	-	-
Total		277,280	265,558	(11,721)	(4.2)%	10,664	4,674	(5,990)	(56.2)%	3.8%	1.8%	(2.0)pt

Balance Sheet

(Billions of yen)

Major Item of Increase/Decrease

May 31,2023

Feb 29,2024

Increase/
Decrease

Major Item of Increase/Decrease

Assets	275.5	254.5	(21.0)
Current assets	194.3	167.0	(27.2)
Cash and deposits	123.1	90.6	(32.5)
Notes and accounts receivable-trade, and contract assets	52.6	57.5	+4.9
Non-current assets	81.1	87.3	+6.2
Property, plant and equipment	33.7	39.3	+5.6
Intangible assets	26.6	27.1	+0.6
Investments and other assets	20.8	20.9	+0.1
Liabilities	203.9	186.2	(17.7)
Current liabilities	144.8	132.4	(12.4)
Accounts payable-trade	7.4	4.8	(2.6)
Short-term loans payable	10.3	19.9	+9.7
Deposits received	78.7	65.9	(12.8)
Non-current liabilities	59.1	53.8	(5.3)
Long-term loans payable	43.5	38.5	(5.0)
Net assets	71.6	68.3	(3.3)
Shareholders' equity	52.7	50.5	(2.2)
Capital surplus	17.1	17.4	+0.3
Retained earnings	32.9	30.8	(2.1)
Treasury shares	(2.4)	(2.7)	(0.3)
Total accumulated other comprehensive income	1.3	1.1	(0.3)
Share acquisition rights	0.0	0.0	(0.0)
Non-controlling interests	17.6	16.7	(0.9)
Equity ratio	19.6%	20.3%	+0.7pt
Equity ratio (Excluding deposits received for contracted projects)	26.9%	27.0%	+0.1pt

[Cash and deposits]

- Decreased due to acquisition of fixed assets and payment of long-term borrowings, etc.
- Decreased in temporary deposits related to contracted projects.
¥ (11.6) billion YoY
As of Feb 29, 2024 (9M FY23) ¥ 63.3 billion
(As of May 31, 2023 (FY22) ¥ 74.9 billion)

[Deposits received]

- Decreased in temporary deposits related to contracted projects.

[Capital surplus / Treasury shares]

- Difference on disposal of treasury shares due to additional BBT/ESOP contribution.
¥ 0.32 billion

[Non-controlling interests]

- Decreased due to dividends from subsidiaries, etc.

[Equity ratio]

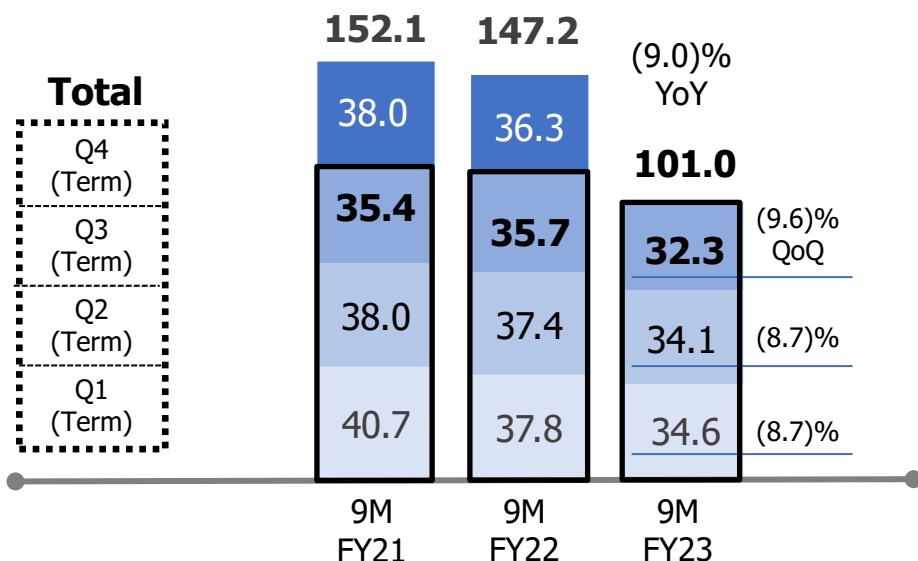
- 27.0% (+0.1pt) after deducting "deposits received" related to contracted projects.

Segment information

Expert Services (Temporary staffing)

Net Sales

(Billions of yen)



Business Conditions (9M FY23 result)

- The work related to the nationwide response in Japan to the COVID-19 infection, which had handled in the previous fiscal period, was largely completed.
- Orders from manufacturers, trading companies, and the IT field expanded from the same period of the previous year.
- we are working to further increase orders, particularly for IT engineers and high-level administrative positions that require specialized knowledge and experience, as well as to negotiate rate revisions.

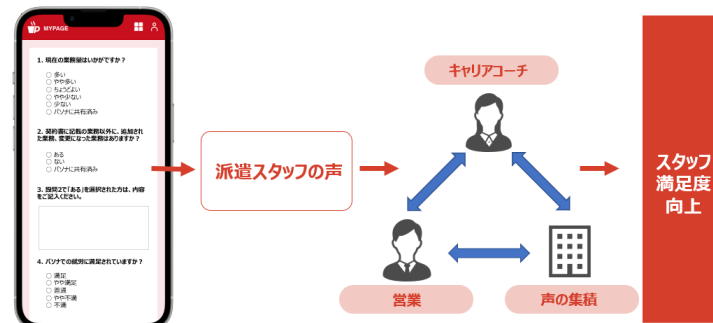
Staff Engagement

Released a service that distributes useful information on health promotion and allows easy consultation with nurses and other industrial nurses on LINE*.

* freeware app for instant communications on electronic devices



Launched "MY VOICE" to improve satisfaction of temporary staff by regularly capturing their level of satisfaction regarding employment.

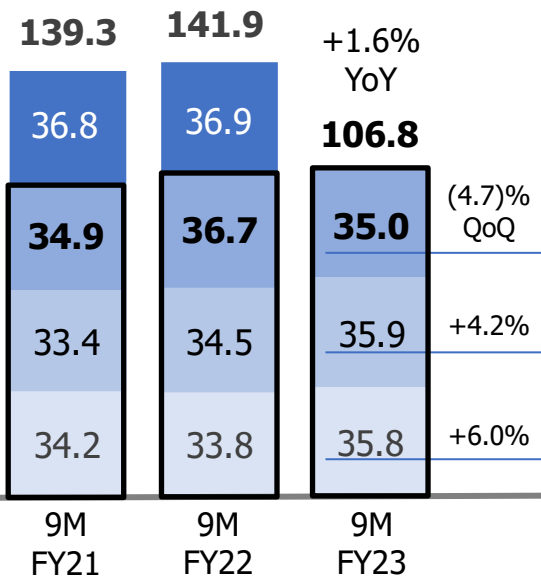


BPO Services (Contracting)

Net Sales

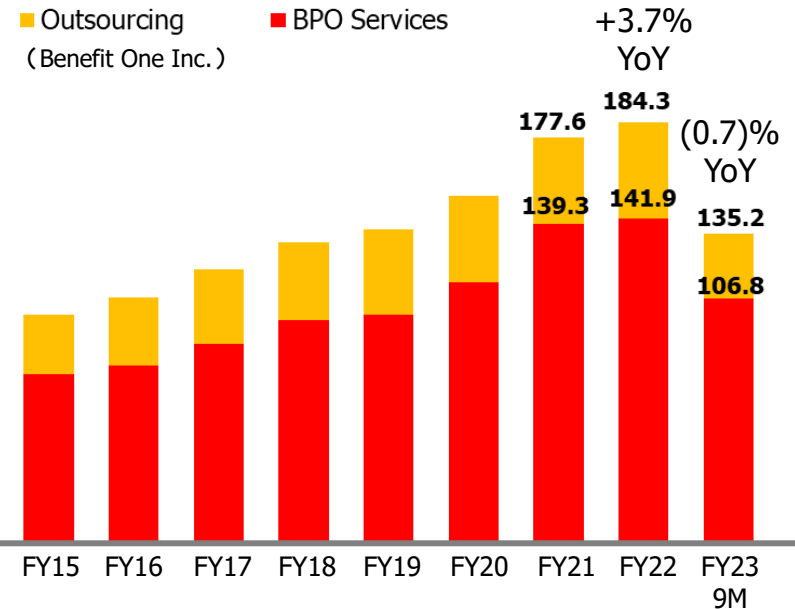
(Billions of yen)

※ In the 3Q of the current fiscal year, the segment classifications of some subsidiaries were changed due to the reorganization of subsidiaries. The figures for the current and previous "3Q total" have been revised accordingly.



BPO Services , Outsourcing Sales Trends

(Billions of yen)

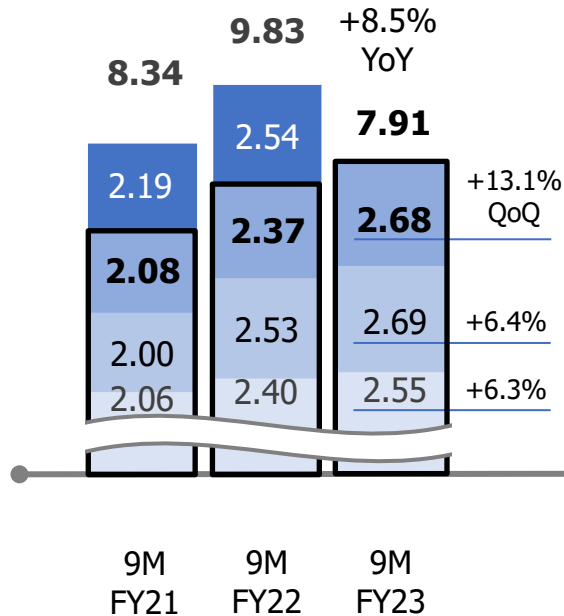


Business Conditions (9M FY23 result)

- Despite a decrease in the number of projects that had been in special demand until the previous year, new demand from private companies and the public sector was acquired.
- Bewith, Inc., a consolidated subsidiary, and Pasona Nihon Soumubu Co., Ltd. (renamed Pasona Panasonic Business Service Co., Ltd. on April 1, 2024), which provides BPO services specializing in the general affairs domain, continued to be strong.
- Private companies : demand expanded for BPO services to focus on their core work and improve productivity, as well as for services related to employee health promotion support.
- Public sector : reskilling and administrative agency business expanded.

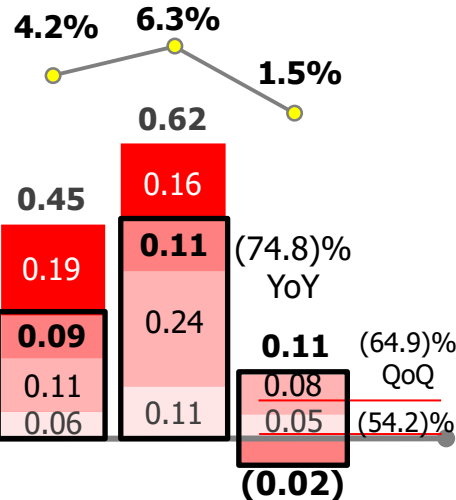
Global Sourcing (overseas)

Net Sales



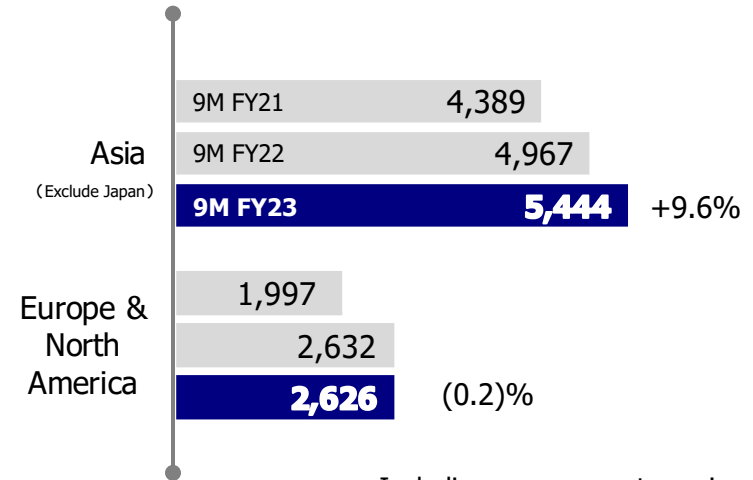
Operating Profit , Operating Profit Ratio

(Billions of yen)



Sales by Region

(Millions of yen)



※Including overseas outsourcing

Business Conditions (9M FY23 result)

- Asia : Business growth in Taiwan and other countries in southeast Asia region.
- SG&A expenses increased due to the prior progress in increasing staff through hiring and improving compensation at many locations, especially in the U.S., as well as an increase in training and business travel.

Sales by Business Segment

(Millions of yen)

	9M FY21	9M FY22	9M FY23	YoY
Temporary Staffing	3,227	3,501	4,017	+14.7%
Placement / Recruiting	1,255	1,783	1,836	+2.9%
Contracting (Payroll, others)	1,066	1,270	1,382	+8.8%
Others	596	732	675	(7.8)%
Total	6,145	7,288	7,911	+8.5%

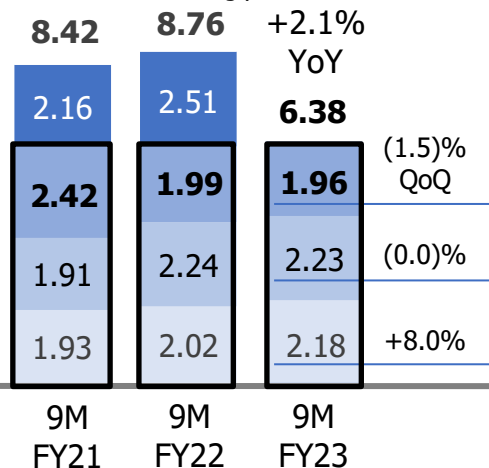
HR Consulting , etc. / Operating Income by Segments

Net Sales

(HR Consulting , Education & Training , Others.)

(Billions of yen)

※ In the 3Q of the current fiscal year, the segment classifications of some subsidiaries were changed due to the reorganization of subsidiaries. The figures for the current and previous "3Q total" have been revised accordingly.



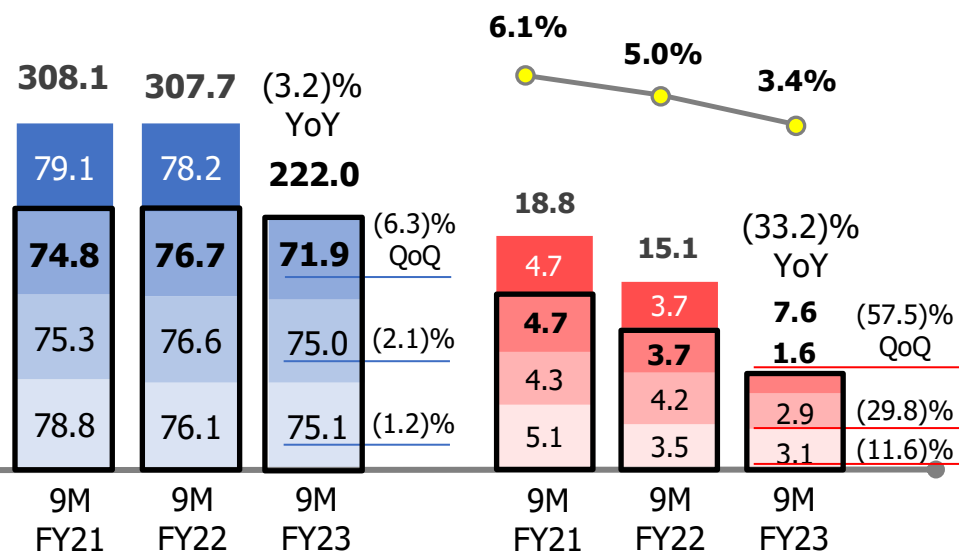
Business Conditions (9M FY23 result)

- Advisory and consulting business : introductions of outside directors and outside corporate auditors continued to be strong.
- Recruiting business (recruiting agency) : demand for consulting services expanded in line with changes in recruiting methods.
- Education and training business : Increased needs for next-generation leadership training and training for women's activities, etc.

Net Sales(ES~GS)

※ ES~GS: Expert Service ,BPO Services ,HR Consulting ,Global Sourcing

(Billions of yen)



Business Conditions (9M FY23 result)

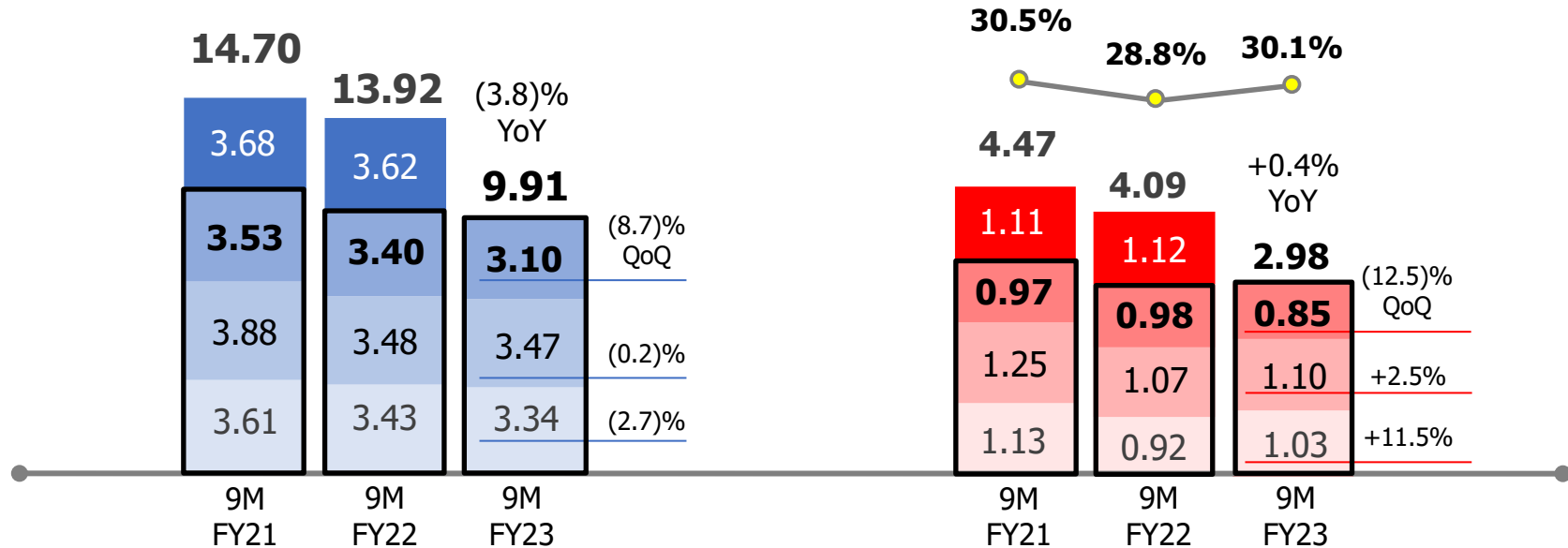
- Expert Services : Insurance premium burden increased due to the revision of social insurance, and gross profit margin declined due to a decrease in the number of dispatches of medical specialists.
- Gross profit margin declined due to fewer operating days during the third quarter of the current fiscal year, including the year-end and New Year holidays.
- Increased costs of personnel expenses mainly due to business growth in BPO Services.

Career Solutions (Placement/Recruiting , Outplacement)

Net Sales

Operating Profit , Operating Profit Ratio

(Billions of yen)

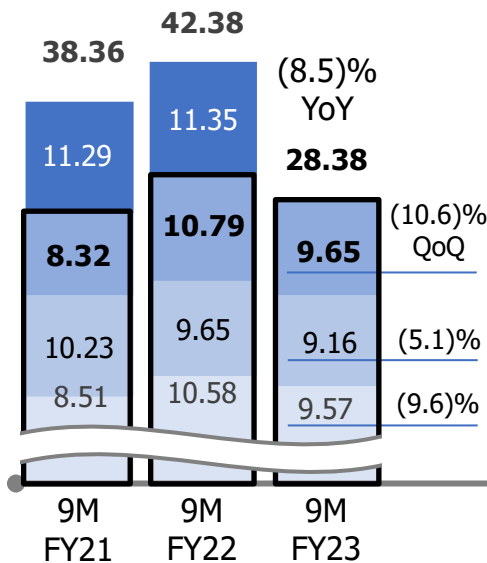


Business Conditions (9M FY23 result)

- Placement / Recruiting business :
Stable demand in strategically focused high-carrier areas.
In the 3Q period under review, although the unit contract price increased from the same period of the previous year, the number of contracts signed slowed down due to an increase in the number of job-transfer applicants who were consoled with retirement and a review of our support system to realize high-quality matching within the Company.
- Outplacement business :
Demand continued to decline as the number of companies recruiting early and voluntary retirees was the smallest in the past decade.
Steady growth in demand for "Safe Placement Total Service", which supports employees' autonomous career development.

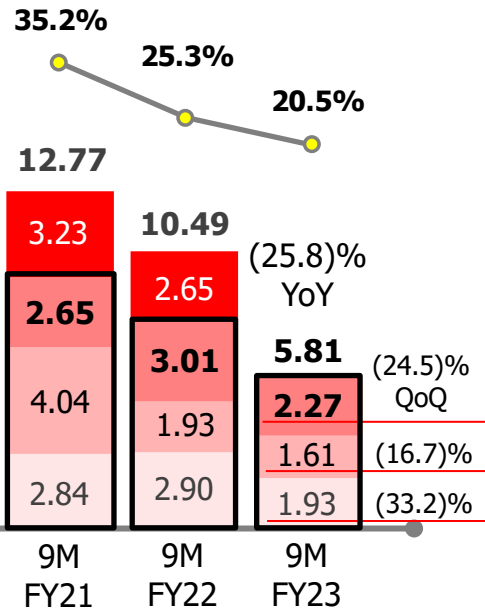
Outsourcing (Benefit One Inc.)

Net Sales



Operating Profit , Operating Profit Ratio

(Billions of yen)



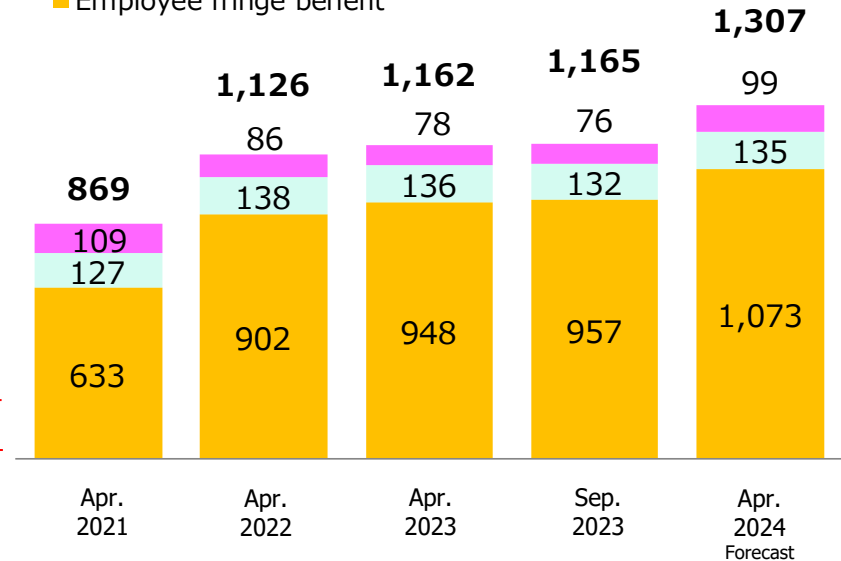
Benefit One Membership Trends

Personal

(10Thousands people)

CRM

Employee fringe benefit



Business Conditions (9M FY23 result)

• Employee Benefits Services business :

Membership fee revenue increased YoY, while transactions specific to the former JTB Benefit Inc. declined.

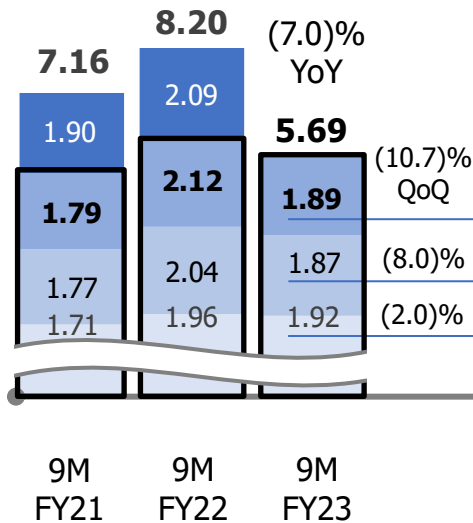
Unit price of membership fee was lower than expected due to the fact that newly acquired members were mainly from major clients, and that both revenues and expenses were affected by reductions due to the revision of some contracts.

• Healthcare business :

Despite a decline in the COVID-19 vaccination support business, sales and profits increased due to progress in implementing orders for the health guidance business.

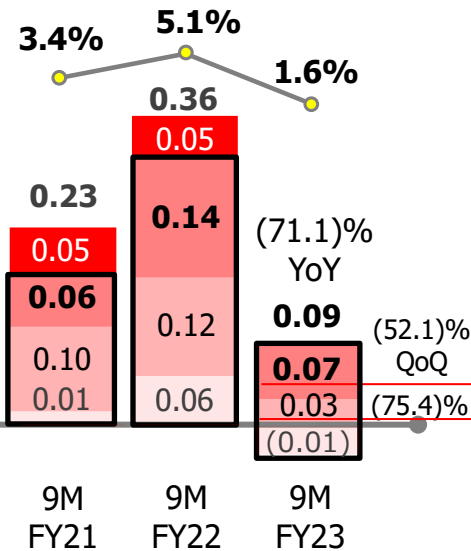
Life Solutions (Nursing care , Life support , Childcare)

Net Sales



Operating Profit , Operating Profit Ratio

(Billions of yen)



Facilities of Pasona Foster・Pasona Life Care

※ As of Feb.29, 2024

※ We changed the counting method for facilities on Aug 2023, and some changes have been made retroactively.

Facilities	May 2020	May 2021	May 2022	May 2023	Feb 2023	Feb 2024	YoY
Pasona Foster							
Child-care facilities	49	49	49	49	49	48	(1)
After-school children's clubs	39	40	43	49	43	50	+7
Pasona Life Care							
Nursing care facilities	22	22	22	20	22	20	(2)

Business Conditions (9M FY23 result)

- Life support business (housekeeping services etc.) :
Significant decreased in demand for sanitization and disinfection services provided by hospitals and lodging facilities.
- Childcare business :
The number of received children increased from the same period of the previous year due to the opening of new licensed nursery schools and school-age clubs.
- Increased in costs, such as personnel costs and operating costs associated with the opening of new childcare facilities.

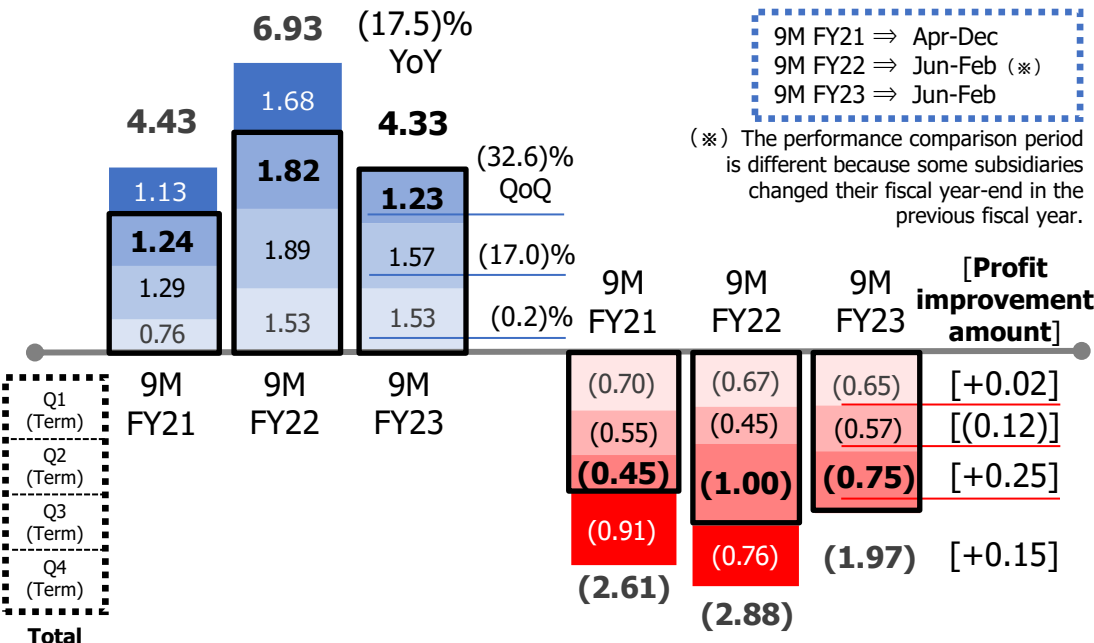
Regional Revitalization Solutions

Net Sales

Operating Profit

(Billions of yen)

9M FY21 ⇒ Apr-Dec
9M FY22 ⇒ Jun-Feb (※)
9M FY23 ⇒ Jun-Feb
(※) The performance comparison period is different because some subsidiaries changed their fiscal year-end in the previous fiscal year.



Business Conditions (9M FY23 result)

- Each facility operated on Awaji Island, Hyogo Prefecture has been closed for maintenance, so the number of operating days at each facility decreased compared to the previous year.
- Sales decreased due to changes in the fiscal year-end of some subsidiaries implemented in the previous fiscal year and the timing of limited-time attractions (5 months' worth was recorded in the previous 3Q period)

Initiatives for regional revitalization

- Kyotango's Homebrewed Craft Beer "Tango Kingdom Beer®" won at the "Japan Great Beer Awards 2024". (March 2024)
- "SPY×FAMILY in Nijigen-no-mori - Doki-Doki Meito Flower Park" TV animation to be held at Nijigen-no-mori for a limited time. (April-October 2024)
- Chihou Sousei Inc. plans to revitalize the community of Kotohira-cho, Kagawa Prefecture, by revitalizing vacant storefronts as lodging facilities through the "Regional Marugoto Hotel Project". (from December 2024)

▼ Silver prize 『MEISTER』、bronze prize 『EARL GREY FRESHNESS』



Elimination/Corporate Segment Costs

Net Sales

Operating Profit

(Billions of yen)

9M FY21	9M FY22	9M FY23	9M FY21	9M FY22	9M FY23	[Profit improvement amount]
(1.50)	(1.52)	(1.60)	(2.67)	(3.38)	(3.18)	[+0.20]
(1.96)	(1.80)	(1.64)	(2.88)	(3.47)	(3.37)	[+0.10]
(1.33)	(1.56)	(1.51)	(2.54)	(2.90)	(3.32)	[(0.42)]
(1.85)	(1.67)	(4.75)	(3.47)	(3.07)	(9.87)	[(0.12)]
(6.64)	(6.54)		(11.57)	(12.82)		

Main Factors for Cost Increase/Decrease (9M FY23 result)

- Increased in personnel costs and IT-related costs associated with DX promotion.
- Some expenses related to the pavilion at the 2025 Japan International Expo (Osaka/Kansai Expo) were incurred.
- The double rent associated with the office relocation to 「PASONA SQUARE」 at Minami Aoyama, Tokyo implemented in the previous fiscal year was decreased.

Fostering human resources who will be active in the international community

Pasona Group Inc. and The University of Hong Kong Business School Sign Memorandum of Understanding to Foster an Environment Supporting Business Education and the Promotion of International Business.



Creation of new industries through public-private partnerships

In cooperation with Awaji City and MASC, the first manned flight demonstration of a pilotless aircraft in the Kansai region using a "flying car" was conducted at Awaji City Yumebutai Sustainable Park. (March 2024)



▲Manned flight demonstration of the "Flying Car" (image)

FY2023 Forecasts

FY2023 Consolidated Forecasts

Net Sales

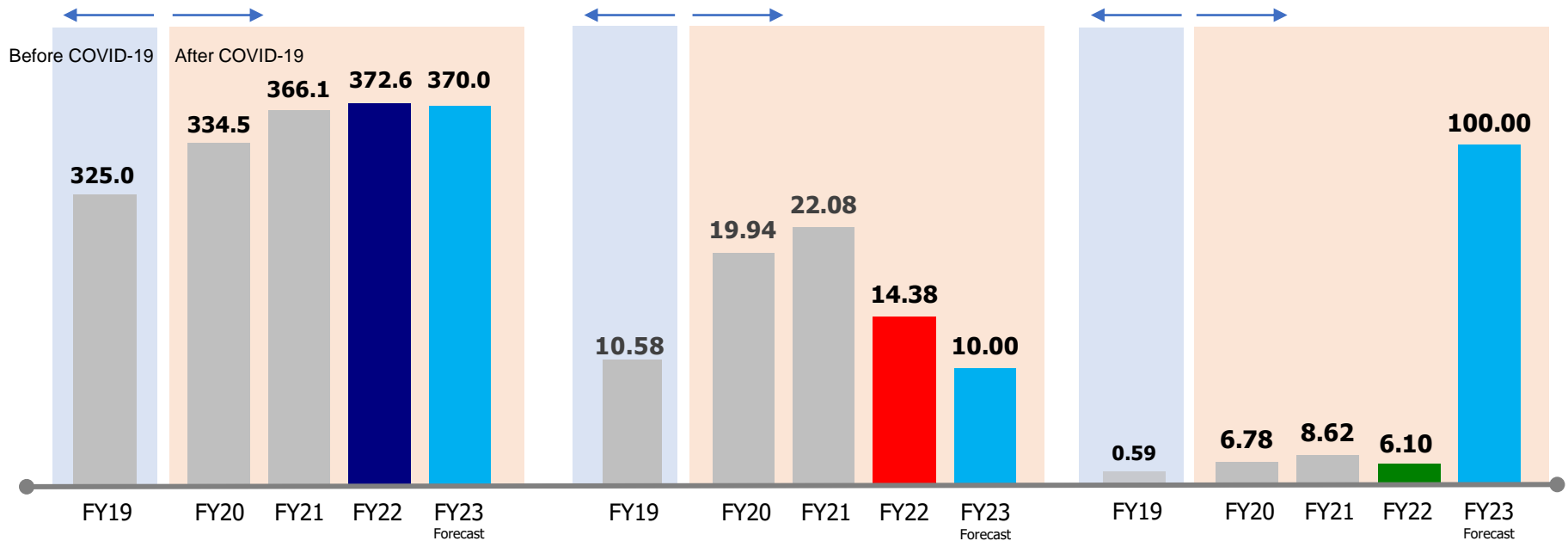
Operating Profit

Profit attributable to owners of parent

(Billions of yen)

YoY (0.7)%

(30.4)%



(Millions of yen)

	FY19	to net sales %	FY20	to net sales %	FY21	to net sales %	FY22	to net sales %	FY23 Forecast	to net sales %	vs FY22 Increase/Decrease	YoY
Net sales	324,984	100.0	334,540	100.0	366,096	100.0	372,579	100.0	370,000	100.0	(2,579)	(0.7)%
Operating profit	10,577	3.3	19,940	6.0	22,083	6.0	14,377	3.9	10,000	2.7	(4,377)	(30.4)%
Ordinary profit	10,236	3.1	20,379	6.1	22,496	6.1	15,366	4.1	10,000	2.7	(5,366)	(34.9)%
Profit attributable to owners of parent	594	0.2	6,784	2.0	8,621	2.4	6,099	1.6	100,000	27.0	+93,900	-

Reference

『Health & Productivity Management Outstanding Organization 2024』

- 【 Pasona Group Inc. / Pasona Inc. 】
Health & Productivity Management Outstanding Organizations
“White 500” (eight consecutive years)
- 【 Pasona Panasonic Business Service Co., Ltd. 】
Health & Productivity Management Outstanding Organizations
“Bright 500”
- 【 Pasona HS Inc. 】【 Pasona JOB HUB Inc. 】
Health & Productivity Management Outstanding Organizations



【Pasona Group Inc. Major Initiatives for Health Management】

1. Conduct lifestyle surveys and publish results
Once a year, a lifestyle survey is conducted for employees to score their lifestyle habits in the categories of exercise, diet, sleep, and preferences (drinking, snacking, smoking) and provide feedback.
2. Mental Health Measures
Conducted mental care training for all employees to promote self-care and line-care in conjunction with the implementation of stress checks.
3. Supporting Health Promotion for Men and Women
Health lectures by obstetrics and gynecology specialists were given to all employees to promote understanding of changes in the minds and bodies of men and women and to "improve literacy".
4. Promoting employee communication through health
Promoting group-wide communication by creating our own original physical exercises and providing physical exercise, training gyms, healthy lunches, etc.
5. Establishment of various consultation services
We provide not only career counseling, but also a contact point to discuss various concerns such as one's own health and lifestyle. Women's health support programs are also being expanded, including an "online consultation service" where women can consult with specialists on women's specific health issues and concerns about childcare and childbirth.

Sustainability Management

Awaji Island's dining and tourist facilities

『Use of 100% renewable energy electricity』 will be realized this spring

100% renewable energy electricity
Already Converted

CRAFT CIRCUS



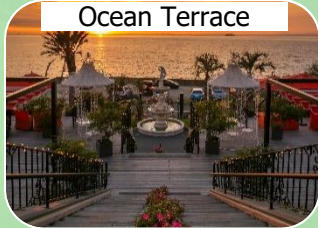
miele the GARDEN



miele the DINER



Ocean Terrace



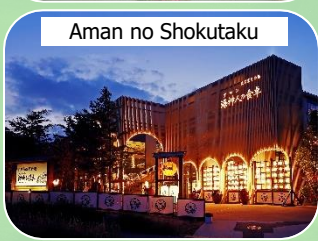
Nojima Scuola



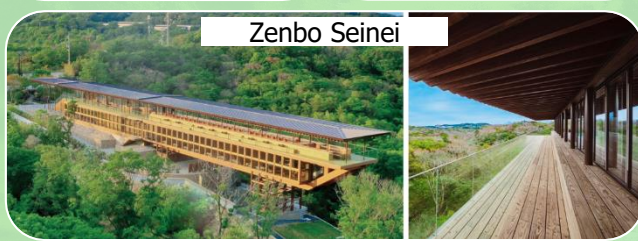
Auberge La Forêt
de la Cuisine Française



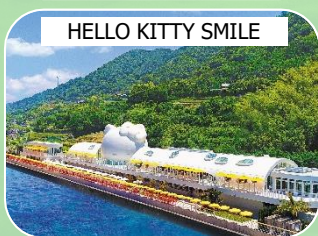
Aman no Shokutaku



Zenbo Seinei



HELLO KITTY SMILE



HELLO KITTY SHOW BOX



HELLO KITTY APPLE HOUSE



By End of May 2024
Plans for Conversion

SEIKAIHA



miele



NIJIGEN NO MORI / MORI NO TERRACE



GRAND CHARIOT



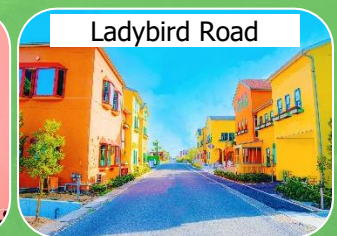
Haru・Sansan



Awaji Chef's Garden
by PASONA



Ladybird Road

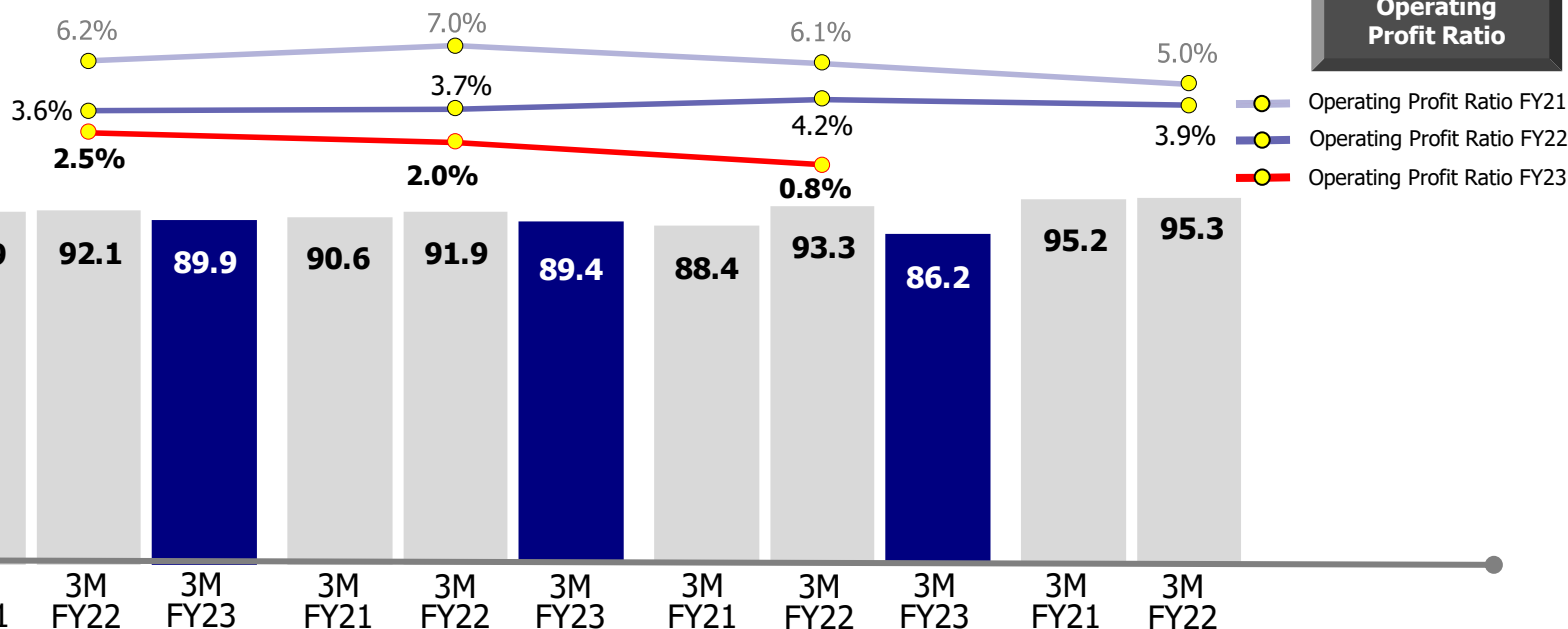


Quarterly Sales and Profit Trends

Net Sales

(Billions of yen)

Operating Profit Ratio



(Millions of yen)

		Q1 (June to August)					Q2 (September to November)					Q3 (December to February)					Q4 (March to May)		
		FY21	FY22	YoY	FY23	YoY	FY21	FY22	YoY	FY23	YoY	FY21	FY22	YoY	FY23	YoY	FY21	FY22	YoY
Consolidated	Net sales	91,927	92,066	+0.2%	89,881	(2.4)%	90,558	91,906	+1.5%	89,434	(2.7)%	88,389	93,307	+5.6%	86,241	(7.6)%	95,221	95,299	+0.1%
	Gross profit	21,720	22,273	+2.5%	21,226	(4.7)%	22,792	22,582	(0.9)%	21,259	(5.9)%	21,525	22,956	+6.7%	19,964	(13.0)%	23,633	23,712	+0.3%
	SG&A expenses	16,020	18,943	+18.2%	18,997	+0.3%	16,496	19,180	+16.3%	19,508	+1.7%	16,173	19,025	+17.6%	19,270	+1.3%	18,898	19,999	+5.8%
	Operating profit	5,700	3,330	(41.6)%	2,228	(33.1)%	6,295	3,402	(46.0)%	1,751	(48.5)%	5,352	3,931	(26.5)%	693	(82.3)%	4,735	3,712	(21.6)%
	Profit (Loss) attributable to owners of parent	2,481	1,293	(47.9)%	187	(85.5)%	2,318	1,440	(37.9)%	(41)	-	2,514	1,213	(51.7)%	(899)	-	1,306	2,151	+64.6%
	Gross profit ratio	23.6%	24.2%	+0.6pt	23.6%	(0.6)pt	25.2%	24.6%	(0.6)pt	23.8%	(0.8)pt	24.4%	24.6%	+0.2pt	23.1%	(1.5)pt	24.8%	24.9%	+0.1pt
	SG&A expense ratio	17.4%	20.6%	+3.2pt	21.1%	+0.5pt	18.2%	20.9%	+2.7pt	21.8%	+0.9pt	18.3%	20.4%	+2.1pt	22.3%	+1.9pt	19.8%	21.0%	+1.2pt
	Operating profit ratio	6.2%	3.6%	(2.6)pt	2.5%	(1.1)pt	7.0%	3.7%	(3.3)pt	2.0%	(1.7)pt	6.1%	4.2%	(1.9)pt	0.8%	(3.4)pt	5.0%	3.9%	(1.1)pt

※ Please refer to the Investors Guide for the figures before the listed year.

Quarterly Sales and Profit Trends by Segment

(Millions of yen)

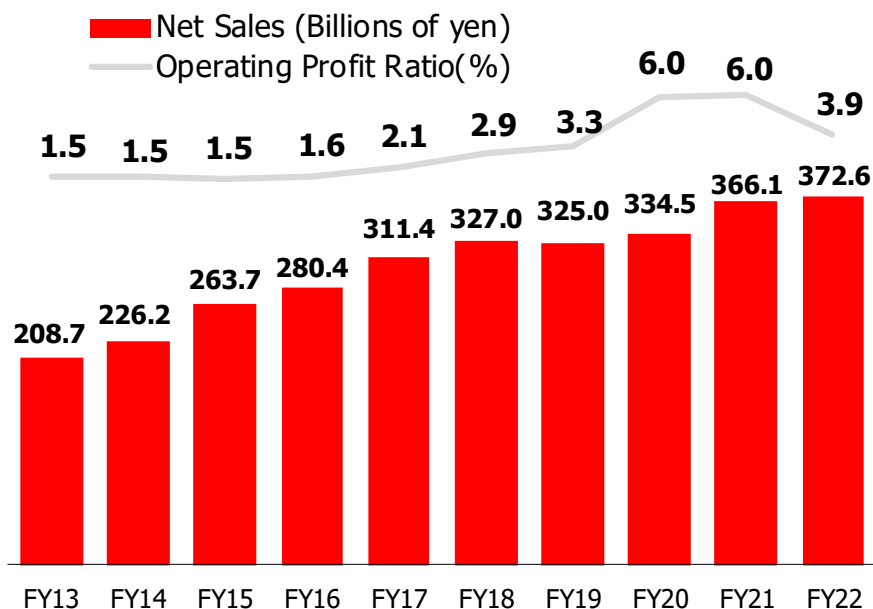
		Sales									
Segment		Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Q1 FY23	Q2 FY23	Q3 FY23	YoY	YoY	YoY
①	Expert Services (Temporary Staffing)	37,837	37,375	35,663	36,311	34,551	34,133	32,252	(8.7)%	(8.7)%	(9.6)%
②	BPO Services (Contracting)	33,817	34,507	36,722	36,858	35,840	35,943	34,992	+6.0%	+4.2%	(4.7)%
③	HR Consulting , Education & Training , Others.	2,021	2,235	1,994	2,509	2,183	2,234	1,963	+8.0%	(0.0)%	(1.5)%
④	Global Sourcing (Overseas)	2,395	2,526	2,366	2,543	2,545	2,688	2,677	+6.3%	+6.4%	+13.1%
Subtotal		76,071	76,645	76,746	78,223	75,122	75,000	71,885	(1.2)%	(2.1)%	(6.3)%
⑤	Career Solutions (Placement/Recruiting, Outplacement)	3,434	3,475	3,395	3,618	3,341	3,468	3,099	(2.7)%	(0.2)%	(8.7)%
⑥	Outsourcing	10,583	9,650	10,788	11,353	9,571	9,156	9,648	(9.6)%	(5.1)%	(10.6)%
⑦	Life Solutions	1,963	2,035	2,115	2,086	1,923	1,873	1,889	(2.0)%	(8.0)%	(10.7)%
⑧	Regional Revitalization Solutions	1,529	1,894	1,823	1,684	1,526	1,572	1,228	(0.2)%	(17.0)%	(32.6)%
⑨	Eliminations and Corporate	(1,515)	(1,795)	(1,561)	(1,666)	(1,604)	(1,636)	(1,509)	-	-	-
Total		92,066	91,906	93,307	95,299	89,881	89,434	86,241	(2.4)%	(2.7)%	(7.6)%

		Operating profit (loss)									
Segment		Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Q1 FY23	Q2 FY23	Q3 FY23	YoY	YoY	YoY
①	Expert Services (Temporary Staffing)	3,398	3,963	3,591	3,561	3,050	2,865	1,590	(10.2)%	(27.7)%	(55.7)%
②	BPO Services (Contracting)										
③	HR Consulting , Education & Training , Others.										
④	Global Sourcing (Overseas)	108	241	106	161	49	84	(19)	(54.2)%	(64.9)%	-
Subtotal		3,506	4,205	3,697	3,723	3,100	2,949	1,571	(11.6)%	(29.8)%	(57.5)%
⑤	Career Solutions (Placement/Recruiting, Outplacement)	919	1,074	976	1,119	1,025	1,100	854	+11.5%	+2.5%	(12.5)%
⑥	Outsourcing	2,897	1,927	3,013	2,648	1,934	1,605	2,273	(33.2)%	(16.7)%	(24.5)%
⑦	Life Solutions	55	117	140	50	(5)	28	67	-	(75.4)%	(52.1)%
⑧	Regional Revitalization Solutions	(667)	(450)	(1,001)	(757)	(648)	(568)	(750)	-	-	-
⑨	Eliminations and Corporate	(3,381)	(3,471)	(2,895)	(3,071)	(3,177)	(3,365)	(3,322)	-	-	-
Total		3,330	3,402	3,931	3,712	2,228	1,751	693	(33.1)%	(48.5)%	(82.3)%

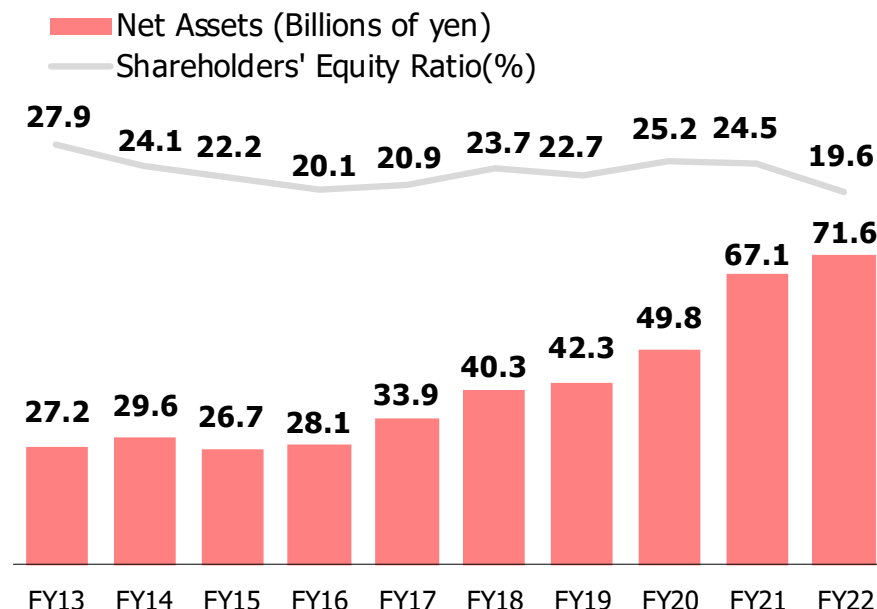
- ※ Please refer to the Investors Guide for the figures before the listed year.
- ※ In the 3Q of the current fiscal year, the segment classifications of some subsidiaries were changed due to the reorganization of subsidiaries. The figures for the current and previous "3Q total" have been revised accordingly.

Full-Year Key Indicators

Net Sales and Operating Profit Ratio



Net Assets and Shareholders' Equity Ratio



Results

Key Indicators	'14/05	'15/05	'16/05	'17/05	'18/05	'19/05	'20/05	'21/05	'22/05	'23/05
Net Sales	208,660	226,227	263,728	280,395	311,410	326,984	324,986	334,540	366,096	372,579
Gross Profit Margin	19.3%	20.3%	20.0%	20.2%	21.5%	22.8%	23.6%	24.8%	24.5%	24.6%
SG&A Expenses	37,029	42,381	48,948	52,128	60,489	65,245	66,112	63,028	67,588	77,148
SG&A Expense Ratio	17.7%	18.7%	18.6%	18.6%	19.4%	20.0%	20.3%	18.8%	18.5%	20.7%
Operating Profit	3,210	3,490	3,860	4,488	6,539	9,465	10,577	19,940	22,083	14,377
Operating Profit Ratio	1.5%	1.5%	1.5%	1.6%	2.1%	2.9%	3.3%	6.0%	6.0%	3.9%
Ordinary Profit	3,135	3,343	3,855	4,319	6,631	9,237	10,236	20,379	22,496	15,366
Ordinary Profit Ratio	1.5%	1.5%	1.5%	1.5%	2.1%	2.8%	3.1%	6.1%	6.1%	4.1%
Net Profit *1	526	214	243	(129)	1,288	1,975	594	6,784	8,621	6,099
Net Profit Ratio	0.3%	0.1%	0.1%	—	0.4%	0.6%	0.2%	2.0%	2.4%	1.6%
Total Assets *2	75,615	88,641	85,356	94,584	112,477	119,459	140,441	151,641	203,746	275,504
Net Assets	27,181	29,620	26,735	28,062	33,889	40,253	42,316	49,779	67,146	71,624
Shareholders' Equity Ratio *2	27.9%	24.1%	22.2%	20.1%	20.9%	23.7%	22.7%	25.2%	24.5%	19.6%
Return on Equity	2.5%	1.0%	1.2%	(0.7)%	6.0%	7.6%	2.0%	19.4%	19.6%	11.7%
Number of Employees	6,316	7,908	8,550	8,682	9,074	9,317	19,538	21,789	23,488	24,918

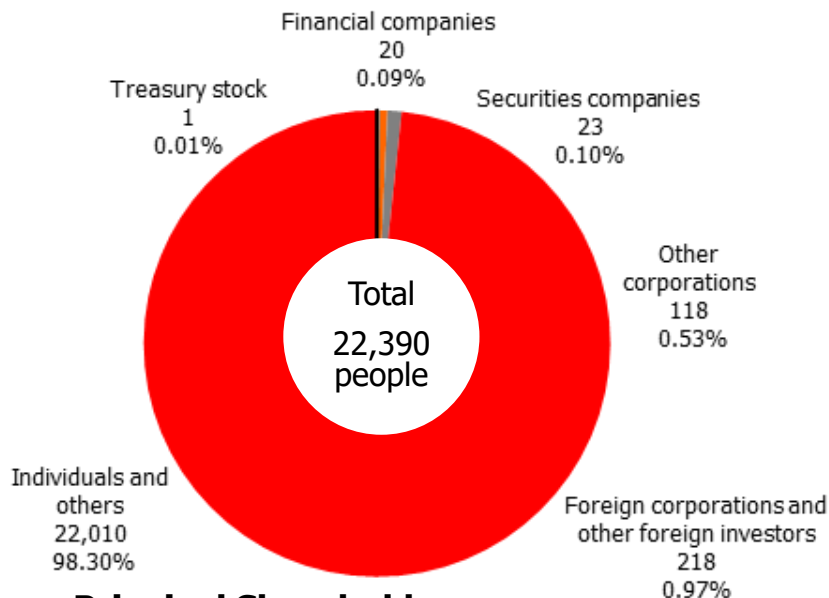
1. Since the fiscal year ended on May 31, 2016, net profit has been referred to profit attributable to owners of parent.

2. As the Company adopted "Partial Amendments to Accounting Standard for Tax Effect Accounting" from the beginning of the first quarter of FY2018. As for the financial position, the figures for the previous consolidated fiscal year were processed by the method.

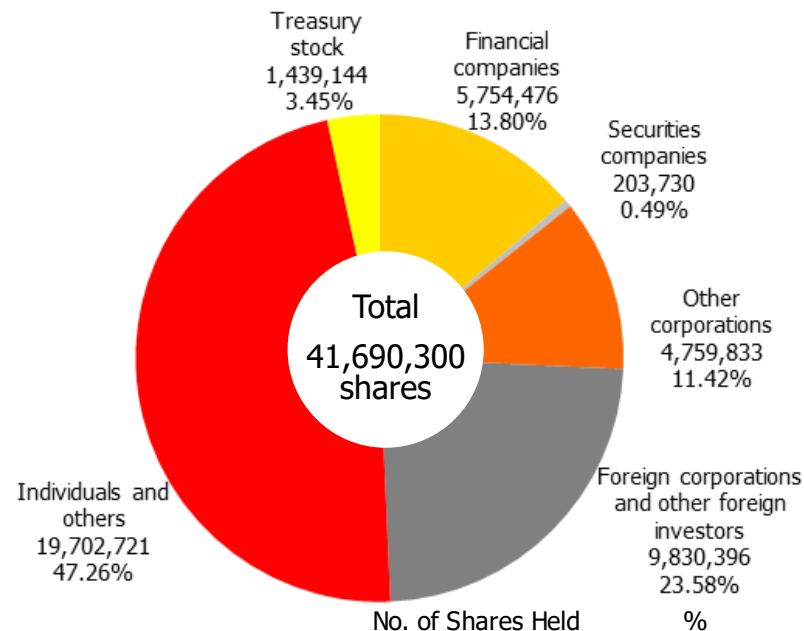
Stock Information (Including treasury stock)

(As of Nov. 30, 2023)

Breakdown of Shareholders by Type



Breakdown of Shareholders by Number of Share Held



Principal Shareholders

Yasuyuki Nambu	14,763,200	35.41%
Nambu Enterprise Inc.	3,738,500	8.97%
The Master Trust Bank of Japan, Ltd (Trust Account)	3,255,600	7.81%
THE BANK OF NEW YORK MELLON 140040	1,954,000	4.69%
Pasona Group Inc.	1,439,144	3.45%
Custody Bank of Japan, Ltd.(Trust Account E)	1,074,376	2.58%
Custody Bank of Japan, Ltd.(Trust Account)	824,800	1.98%
CEPLUX- THE INDEPENDENT UCITS PLATFORM 2	795,500	1.91%
CREDIT SUISSE AG HONG KONG TRUST A/C CLIENT	782,800	1.88%
JP MORGAN CHASE BANK 385632	617,288	1.48%

1. The Company's treasury stock (1,439,144 shares, 3.45% of total issued shares) ranked fifth. In accordance with Article 308.2 of the Corporations Law, there are no voting rights attached to treasury stock.

2. Tempered Investment Management Limited sent a change report to the Kanto Finance Bureau on January 18, 2022, reporting that it owns 2,406,300 shares as of January 18, 2022. However, the number of shares held as of the end of November 2023 cannot be confirmed, so it is not included in the status of the above major shareholders.

Group Companies (by segment)

Expert Services, BPO Services (Contracting) HR Consulting, Education and Training, Others

Pasona Inc.	Pasona Heartful Inc.
Bewith, Inc.	Asahi Beer Communications Co, Ltd.
PASONA LOGICOM Inc.	Pasona art now Inc.
Pasona HS Inc.	Pasona Knowledge Partner Inc.
Nagasaki diamond staff	Pasona Intellectual Property Trust Inc.
Pasona Masters Inc.	Profelier, Inc
Pasona HR Solution Inc.	circlace Inc.*
Gotop Co., Ltd.	
Pasona JOB HUB Inc.	
Pasona YBS Inc.	
Pasona Panasonic Business Service Co., Ltd	Others *

Global Sourcing

Pasona N A, Inc.	Pasona Canada, Inc.
Pasona Taiwan Co., Ltd.	Pasona Singapore Pte. Ltd.
Pasona Asia Co., Limited	PT Pasona HR Indonesia
Pasona Korea Co., Ltd	Pasona India Private Limited
MGR Consulting Co., Ltd.	Pasona Tech Vietnam Co., Ltd.
Pasona Human Resources (Shanghai) Co., Ltd.	
Pasona Recruitment (Thailand) Co., Ltd	
Pasona Education Co. Limited	
Pasona HR Malaysia Sdn. Bhd.	
PT. Dutagriya Sarana	Others

Career Solutions

Pasona Inc.

Outsourcing

Benefit One Inc.
BENEFIT ONE INTERNATIONAL PTE. LTD.
贝那商务咨询（上海）有限公司
Benefit One USA, INC.
Benefit One (Thailand) Co., Ltd.
PT. BENEFIT ONE INDONESIA
REWARDZ PRIVATE LIMITED

Others *

Life Solutions

Pasona Foster Inc.
Pasona Life Care Inc.

Regional Revitalization Solutions

Pasona Furusato Incubation Inc.	Nijigenmomori Inc.
Pasona Agri-Partners Inc.	Pasona Smile Inc.
Tango Kingdom Brewery Inc.	Chihou Sousei Inc.
Pasona Tohoku Sousei Inc.	Takumi Sousei Inc.

Others *

● Consolidated subsidiaries 70

* Equity-method affiliates 6

(As of Feb. 29, 2024)

Corporate Information

Prime Market TSE (2168)

Corporate Name	Pasona Group Inc.	
Headquarters	Shin Marunouchi Bldg. 1-5-1, Marunouchi, Chiyoda-ku, Tokyo 100-6514	<u>Comprehensive Group office</u> Minami-Aoyama 3-1-30 Minato-ku, Tokyo 107-8351 Phone 03-6734-0200
Established	December 3, 2007 (Founding February 1976)	
Paid-in Capital	5,000 million yen	
Representative	Yasuyuki Nambu	
Business Activities	Expert Services (Temporary staffing) , BPO Services (Contracting) HR Consulting, Education & Training, Others Global Sourcing (Overseas) Career Solutions (Placement/Recruiting, Outplacement) Outsourcing , Life Solutions Regional Revitalization Solutions	
Number of Employees	24,918 (Consolidated, including contract workers)	(As of May. 31, 2023)
Consolidated Group Companies	Subsidiaries 70 , Affiliates 6	(As of Feb. 29, 2024)
URL	www.pasonagroup.co.jp/English/	